BRITISH COLUMBIA

BC STATS Infoline

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Issue: **00-01** **6** Pages
January 7, 2000

highlights

a weekly digest of recently released British Columbia statistics

Labour Force

- **British Columbia's unemployment rate edged up again in December, increasing to 8.2% (seasonally adjusted).** December's increase (+0.2 points) followed a 0.6 percentage point rise in the jobless rate in November. Despite this, labour market conditions in the province appear to be improving. Since October, 51,300 more people have joined the labour force than have left it. Substantial employment gains (totalling 21,500) in both November (+0.7%) and December (+0.5%) were not strong enough to absorb the increase in the number of people who were looking for work.

  Canada's unemployment rate stayed put at 6.9% in December, as the labour force (+0.3%) and the number of people employed (+0.3%) both increased at the same rate. In the rest of the country, the unemployment rate moved up in all three prairie provinces, was unchanged in Ontario, and declined in Quebec and two of the four Atlantic provinces. *Source: Statistics Canada*

- **Among the regions, unemployment rates ranged from a low of 6.9% (3-month moving average) in Vancouver Island/Coast to about nine percent in the Cariboo (9.0%) and Kootenay (9.1%) regions.** Despite having the second-highest jobless rate in the province, labour market conditions in Cariboo have been improving, and during the twelve-month period ending in December, employment in that region increased 5.3%, marking the seventh consecutive monthly gain. The opposite was true in Kootenay, where the number of people with jobs has been falling since July, declining 2.6% last month. Northeast (-2.9%) and Thompson/Okanagan (-3.1%) also saw the number of people with jobs drop in December. BC's job gains were concentrated in Vancouver Island/Coast (+5.7%), North Coast/Nechako (+5.5%) and Cariboo (+5.3%). Mainland/Southwest (+0.1%) posted only a marginal increase. *Source: Statistics Canada*

- **BC's unemployment rate averaged 8.3% last year, 0.6 percentage points less than in 1998.** The jobless rate decreased 0.7 points (to 7.6%) at the national level, reflecting declines in all but three provinces: PEI (+0.2 points, to 14.1%), Saskatchewan (+0.2 points, to 6.1%) and Alberta, where the jobless rate edged up 0.1 point to 5.8%. Despite this, Alberta continued to have the lowest unemployment rate in the country, while Newfoundland (16.7%) had the highest. *Source: Statistics Canada*

- **The number of people employed in the province increased 2.2%, to 1.9 million, between 1998 and 1999.** For the first time since 1995, full-time employment gains were the main reason for the growth in the number of jobs. The number of British Columbians working full-time (at least 30 hours per week) rose 2.4% last year (to 1.5 million). Part-time employment gains were more moderate (+1.7%, to 407,000). Just over a fifth (21%) of the workers in BC were employed part-time last year, more than in any other province. The Canadian average was 18%. After BC, Saskatchewan and Manitoba (both at 20%) had the highest concentration of part-time workers. *Source: Statistics Canada*

- **Workers in goods-producing industries continued to feel the pinch in 1999, as employment shrank (-1.9%) for the second year in a row.** Those with jobs in resource-extracting industries (logging, fishing, mining, oil

Report **Working for small employers**

Did you know...

If you lived in Vancouver and had $11,500 burning a hole in your pocket last February, you could have used it to buy one of three bottles of Bowmore 40-year-old Scotch whisky, the most expensive alcoholic beverage ever sold in BC. Or you could have splurged on 3,850 cups of cappuccino.

and gas) were particularly hard-hit, as employment declined 4.6% in 1999 after decreasing 12.0% in the previous year. On a more positive note, the number of jobs in service-producing industries continued to expand, increasing 3.4% to 1.5 million. Eight in every ten workers in the province were employed in service industries, more than anywhere else in the country. The comparable number for all of Canada was seven in ten.

Source: Statistics Canada

The Economy

- **Exports of BC products increased 1.2% (seasonally adjusted) between September and October.** The rise in the value of exports was due to continued strength in US markets (+1.8%), which helped offset a dip (-0.2%) in shipments to other countries. After two slow months, exports of forest products picked up (+3.4%) in October, boosting BC's overall export performance. International shipments of other products rose only 0.7%, reflecting declining exports of agriculture and fish (-13.8%) and mineral (-13.5%) products to both the US and overseas. Despite the downturn in the natural resource sector, exports of other goods strengthened (+2.2%), largely due to strong US demand for these products. *Source: BC STATS*

- **Business bankruptcies fell but the number of consumer bankruptcies in the province increased in September.** There were 86 business bankruptcies registered in that month, down from 98 a year earlier. Business bankruptcies fell in most parts of the country. Nationally, the number of bankruptcies dropped to 783, down from 915 in September 1998.

  There were 716 consumer bankruptcies filed in BC in September, 23.7% more than in the same month of 1998. The rise in consumer bankruptcies was the second in as many months, and marked a continuation of an upward trend in the number of consumer bankrupticies, following a brief hiatus in the spring and early summer months. Nationally, the number of consumer bankruptcies increased moderately (+2.5%), to 6,307 in September. *Source: Industry Canada data*

Tourism

- **The number of non-resident travellers crossing the border into Canada via BC customs ports edged down 0.6% (seasonally adjusted) between September and October.** The decline in entries came as visits from the US continued to taper off (-0.9%), suggesting that the number of Americans visiting the province has levelled off after a growth spurt during 1998. Both same-day (-0.1%) and overnight (-0.4%) entries were down. Offsetting the decline in entries from the US was a 0.6% increase in the number of overseas visitors crossing the border into BC. Asian entries (+1.8%) continued to pick up speed but there were 3.0% fewer entries into BC from Europe. *Source: BC STATS & Statistics Canada*

TV Viewing

- **British Columbians spent an average of 20.5 hours a week in front of the tube in the fall of 1998, less than in every other province except Alberta (19.5 hours).** The Canadian average was 22.2 hours. Quebecers (25.2 hours) were the only Canadians who devoted more than a day's worth of their time each week to this pastime. Viewing time varies considerably by age and sex. Elderly BC women (aged 60 and over) spent 34.0 hours a week, on average, watching TV, while men in the same age group spent an average of 30.8 hours. Teens (13.6 hours) and children aged 2–11 (14.4 hours) were much less likely to be glued to the tube. Overall, women were more likely to spend their time watching TV than men. *Source: SC, Catalogue 870006XPE*

- **BC residents are more inclined to tune in to foreign TV stations than other Canadians.** Last fall, 32% of TV viewing time in BC was spent watching foreign stations. This compares to a national average of 22%. Foreign programming (on both Canadian and foreign stations) was much more popular with BC residents than Canadian programming. Seventy percent of their viewing time was spent watching programs made outside the country. This compares to 61% nationally. *Source: SC. Catalogue 870006XPE*

For data originating from Statistics Canada: data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the publication name or catalogue number.

January 7, 2000

Infoline Report:

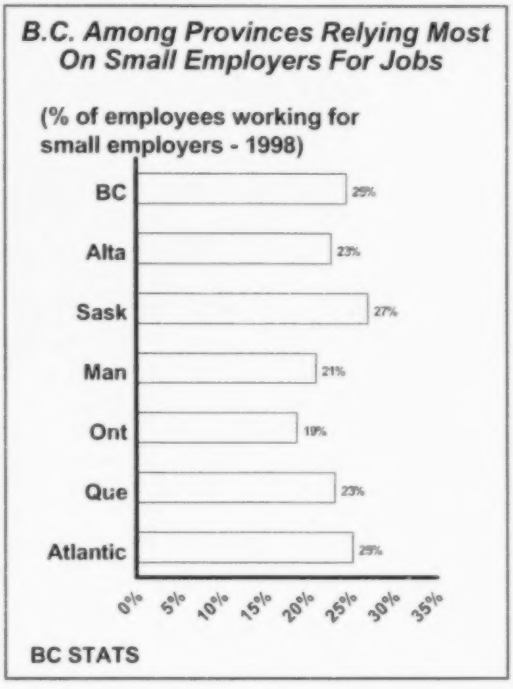
A quarter of all employees in British Columbia work for small employers

Contact: George Dufour / (250) 387-0376

Originally published in Second Quarter 1999 issue, *Small Business Quarterly*. Annual subscription: $30 + GST

'Small employers' as described here are those with fewer than 20 employees. Some are government (public sector) operations, but most are small private sector businesses. Some may operate at more than one location. All employ less than 20 people at all locations combined.

This report is based on data that have only recently become available from Statistics Canada's Labour Force Survey.



A substantial part of British Columbia's workforce now works for employers with payrolls of less than 20 people. The 360 thousand employees working for small employers in 1998 constituted 25 per cent of all employees in the province.

Changes in the economy, and especially growth in the services sector suggest that these figures could climb higher. Projections for the new economy often include more people working in small, specialised knowledge based businesses.

Women and the Young More Likely to Be Working For Small Employers

Female employees were generally more likely to be working for small employers in 1998 than were male employees. Twenty-six per cent of British Columbia women employees worked for small employers as compared to 23 per cent of male employees.

Younger workers of either sex were also more likely to be working for small employers. This is not surprising, as younger workers could be expected to be concentrated in more recently formed businesses; and recently formed businesses are likely to be smaller. Thirty-one per cent of employees between the ages of 15 and 24 were working for small employers, as compared to 21 per cent of employees over the age of 45.

Younger women employees were only slightly more likely to be working for small employers than younger men. But older women were considerably more likely to be working for small employers than were older men.

Thirty-two per cent of female employees aged 15 to 24 were working for small employers in 1998, as compared to 30 per cent of male employees in that age group. The portion of female workers 45 years of age or older who were working for small employers was 25 per cent, seven percentage points less than for females in the 15 to 24 year age group. But only 17 per cent of male employees 45 years of age and older were working for small employers, 13 percentage points less than for males in the 15 to 24 year age group.

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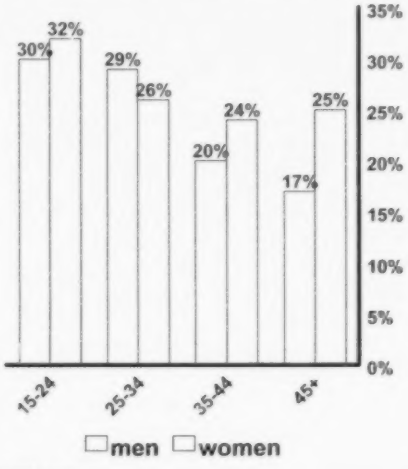
Younger Employees In BC More Likely To Be Working For Small Employers

(% of age group employed by small employers - 1998)



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Small Employers Less Likely to Be Unionised

Employees working for small employers were much less likely to be unionised than employees working for employers with more than 20 people on staff.

Smaller bargaining units are generally less practical targets for union organising drives because the resources required produce relatively fewer new members, and because capital investment in the business is apt to be smaller and possibly more portable, effectively increasing the options open to management.

Only 8 per cent of British Columbians working for small employers were unionised in 1998, compared to 44 per cent of those working for employers with 20 or more employees. Men who worked for small employers were more likely to be unionised than women – 10 per cent as compared to 6 per cent.

The younger a person was who was working for a small employer, the less the chance that they were a union member. Thirteen per cent of people aged 45 and over working for small employers in British Columbia were union members in 1998. This ratio fell to 9 per cent for those aged 35 to 44. It dropped to 6 per cent for those aged 25 to 34, and to less than 3 per cent for those aged 15 to 24.

The age pattern was similar for larger employers, with older workers more likely to be unionised than younger workers. Unionisation rates of people working for larger employers ranged from 56 per cent for those aged 45 and over, to 20 per cent for those aged 15 to 24.

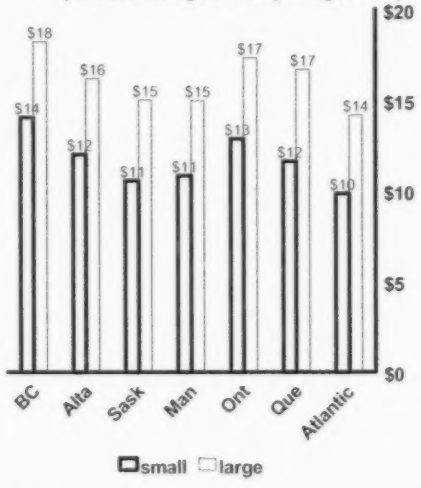
Hourly Wage Rates Lower On Average, For Small Employers

Average hourly wage rates earned by British Columbians working for small employers were less than those earned by people working for employers with 20 or more employees on staff.

The $14.03 average hourly wage earned by people working for small employers in 1998 amounted to 77 per cent of the average rate of those working for larger employers.

Both Large & Small Employers Pay More In B.C.

(1998 average hourly wage rate)



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This figure is not a precise indicator of employee earnings because it does not take into account average hours worked. It may be that people working for smaller employers put in longer hours. If that were so, it would boost their earnings to a level closer to the earnings of people working for larger employers. With no statistics presently available to explore this, it can only be stated that people employed by smaller employers receive less, on average, for each hour worked than people working for larger employers.

This pattern applied for both sexes and across age groups. However, the difference in average hourly wage rates was less when employees were unionised. Unionised workers employed by small employers earned an average hourly rate that was 90 per cent of the average rate earned by unionised workers employed by larger employers.

There are a number of possible reasons why people working for small employers would earn less than people working for large employers.

Retail and other service businesses in which many small employers are concentrated are not traditionally high wage industries. It could also be that collective bargaining gains are reflected in higher wage rates, so that average wage rates are lower in the largely non-unionised small employer labour force.

Small Employers Pay Better In British Columbia Than Elsewhere In Canada

Average hourly wage rates are higher in British Columbia, both for small and large employers. Possible reasons for this include the province's industrial mix, its high minimum wage, and its relatively high rates of unionisation. Wage settlements granted union workers may set standards, to some extent, for workers in the non-unionised sector.

People working for small employers in British Columbia earned higher average hourly wage rates than people working for small employers elsewhere in Canada.

At $14.03, the British Columbia small employer wage rate was substantially above the next highest rate of $12.86 in Ontario, and well above the $12.20 average hourly wage rate for all Canada. The lowest average wage rates for small employers were in Saskatchewan ($10.55) and in the Atlantic provinces ($9.83).

The gap between small employer rates and large employer rates is relatively smaller in British Columbia than in any other province. British Columbia small employer wage rates averaged 77 per cent of wage rates paid by large employers in 1998. This compared to a Canadian average of 73 per cent. The next highest provincial ratio was 74 per cent in both Alberta and Ontario. The lowest ratios were for Quebec, Saskatchewan and the Atlantic provinces, all at 70 per cent

British Columbia also claims the distinction of having the highest unionisation rate for people working for small employers. Eight per cent of British Columbians working for small employers were unionised in 1998, compared to 7 per cent in Quebec (the next highest) and only 3 per cent in Alberta. The Canadian average was 6 per cent.

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Infoline

January 5, 2000

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BC at a glance . . .

POPULATION (thousands)	Oct 1/99	% change on one year ago
BC	4,037.2	0.8
Canada	30,572.5	0.8
GDP and INCOME		% change on
(BC - at market prices)	1998	one year ago
Gross Domestic Product (GDP) *($ millions)*	110,948	-0.2
GDP *($ 1992 millions)*	99,708	0.2
GDP *($ 1992 per Capita)*	24,908	-0.8
Personal Disposable Income *($ 1992 per Capita)*	15,969	-1.6
TRADE ($ millions)		
Manufacturing Shipments (seas. adj.) Oct	3,159	7.7
Merchandise Exports (raw) Oct	2,510	9.1
Retail Sales (seasonally adjusted) Oct	2,807	3.3
CONSUMER PRICE INDEX		% change on
(all items - 1992=100)	Nov '99	one year ago
BC	111.5	1.5
Canada	111.4	2.2
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Dec '99	one year ago
Labour Force - BC	2,091	1.4
Employed - BC	1,918	1.3
Unemployed - BC	172	2.1
		Dec '98
Unemployment Rate - BC *(percent)*	8.2	8.2
Unemployment Rate - Canada *(percent)*	6.9	8.0
INTEREST RATES (percent)	Jan 5/00	Jan 6/99
Prime Business Rate	6.50	6.75
Conventional Mortgages - 1 year	7.35	6.20
- 5 year	8.25	6.60
US/CANADA EXCHANGE RATE	Jan 5/00	Jan 6/99
(avg. noon spot rate) Cdn $	1.4513	1.5103
US $ *(reciprocal of the closing rate)*	0.6900	0.6619
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	Nov '99	one year ago
BC	634.58	0.7
Canada	603.73	3.2

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bank-banque-canada.ca/english/wfsgen.htm

Released this week by BC STATS

- Current Statistics, December 1999

Next week

- Labour Force Statistics, December 1999

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